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Attorneys for SUSAN K. SMITH,
Chapter 7 Trustee of the Estate of
DAVID MARTIN, Defendant herein

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF CALIFORNIA
(Sacramento Division)

TUYEN NGUYEN,

Plaintiff,

vs.

DAVID MARTIN,

Defendants.

No. CIV S-04-0655 LKK KJM PS

NO HEARING SET

STIPULATION AND [PROPOSED] ORDER REGARDING DISPOSITION
OF BLOCKED FUNDS AND OF PENDING ACTION

This Stipulation is entered into by and between Susan K. Smith, the duly appointed Chapter 7 Bankruptcy Trustee (the "Trustee") in the DAVID JOHN LYLE MARTIN bankruptcy case, number 05-24727-B-7, filed April 21, 2005, presently pending in the bankruptcy court for this district, Sacramento Division, (the "Martin Bankruptcy Case") and Tuyen Nguyen, the Plaintiff herein (the "Plaintiff"), as follows:

1. By virtue of her appointment and present status as Chapter 7 Trustee in the Martin Bankruptcy Case, the Trustee is the sole party authorized to act on behalf of Defendant Martin in this action at this time.

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2. Plaintiff represents herself in this action Pro Se.

3. Since the commencement of the Martin Bankruptcy Case, Plaintiff and the Trustee have engaged in numerous communications regarding this action. Plaintiff and the Trustee have determined that it is in neither of their best interests to pursue this action due to the time, expense, delay and uncertainty associated therewith.

4. Plaintiff has determined to pursue her claims against Defendant Martin in the form of a Proof of Claim filed in the Martin Bankruptcy Case. The Trustee has determined that resolution of Plaintiff's claims against Defendant Martin will best be resolved in the Martin Bankruptcy Case.

5. Since on or about June 29, 2004, a portion of the net sale proceeds from the sale of certain residential real property located at 3520 Norris Avenue, Sacramento, California, has been blocked (the "Blocked Funds") pursuant to an order of this court dated June 28, 2004 (the "Order"). A true and correct copy of the Order is attached hereto as Exhibit "A" and incorporated herein for all purposes.

6. The Blocked Funds remain in the possession of Fidelity National Title Company in Escrow No. 623629-JS pursuant to the Order. As of April 7, 2006, Plaintiff and the Trustee believe the Blocked Funds total \$92,100.00.

7. Plaintiff and the Trustee agree that the Blocked Funds are property of the Martin Bankruptcy estate pursuant to 11 U.S.C. Section 541. Plaintiff and the Trustee further agree that the Blocked Funds should be paid over and delivered to the Trustee for the benefit of the Martin Bankruptcy estate and its Creditors, including Plaintiff.

8. Plaintiff and the Trustee wish to resolve all aspects of this action and to facilitate the Trustee's prompt administration of

Received at: 4:03PM, 6/28/2004

FILED

JUN 28 2004

CLERK, U.S. DISTRICT COURT
EASTERN DISTRICT OF CALIFORNIA
BY DEPUTY CLERK

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6 Attorneys for Plaintiff Tuyen Nguyen

7
8 UNITED STATES DISTRICT COURT
9 EASTERN DISTRICT OF CALIFORNIA

10 TUYEN NGUYEN,

11 Plaintiff,

12 v.

13 DAVID MARTIN, and DOES 1 through 20,
14 inclusive,

15 Defendants.

Case No. S-04-0655 LKK KJM

ORDER ON DEFENDANT
DAVID MARTIN'S MOTION TO
EXPUNGE NOTICE OF
PENDENCY OF ACTION

16 Defendant David Martin's Motion to Expunge Notice of Pendency of Action came on for
17 hearing on June 25, 2004, at 1:30 p.m. in Courtroom 4 of the above-entitled court before the
18 Honorable Lawrence K. Karlton. Plaintiff Tuyen Nguyen appeared by and through her attorney
19 Robert M. Merritt. Defendant David Martin appeared by and through his attorney John Laplante.

20 The parties entered into an agreement relating to defendant David Martin's motion as
21 follows.

22 IT IS THEREFORE AGREED AND ORDERED THAT plaintiff Tuyen Nguyen shall
23 cause to be recorded a Withdrawal of the Notice of Pendency of Action at the Sacramento County
24 Recorder's Office for the real property located at 3520 Norris Avenue, Sacramento, Sacramento
25 County, California, no later than June 28, 2004. It is further agreed that \$90,000.00 from the
26 proceeds from the sale of the real property located at 3520 Norris Avenue, Sacramento,
27 Sacramento County, California, will be held in escrow and put into an interest-bearing account

EXHIBIT A

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Robert M Merritt

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Robert M Merritt

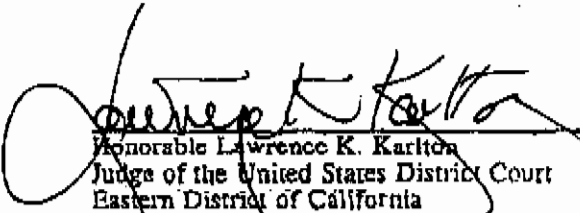
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1 executed by plaintiff and defendant. The remaining portion of the sale proceeds exceeding
2 \$90,000.00 from the sale of the real property located at 3520 Norris Avenue, Sacramento.
3 Sacramento County, California, will be released by Fidelity National Title Company to defendant
4 David Martin. The request for attorneys' fees is denied.

5 IT IS SO ORDERED:

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7 Dated: 6/28/04


Honorable Lawrence K. Karlton
Judge of the United States District Court
Eastern District of California

10 Approved as to Form and Content:

LAPLANTE & SPINELLI

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12 Dated: June 28, 2004


John Laplanche

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